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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

Interconnection Between Local Exchange Carriers)
and Commercial Mobile Radio Service Providers)

CC Docket No. 95-185

Equal Access and Interconnection)
Obligations Pertaining to)
Commercial Mobile Radio Service Providers)

CC Docket No. 94-54

To: The Commission

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**COMMENTS
OF
FLORIDA CELLULAR RSA LIMITED PARTNERSHIP**

Florida Cellular RSA Limited Partnership, an Illinois limited partnership, submits these its Comments in the Notice of Proposed Rulemaking ("NPRM") in the above proceeding. The time for filing Comments was extended to March 4, 1996.

Introduction

Florida Cellular RSA Limited Partnership ("Florida Cellular") holds licenses for cellular rural service areas in Florida 1 - Collier, Florida 2 - Glades; and Florida 3 - Hardee. In addition, James A. Dwyer, Jr., one of the principals of Florida Cellular, is involved in various other cellular activities through related entities in Pennsylvania, Ohio and West Virginia. Mr. Dwyer has been involved in mobile communications matters for over 25 years, and has participated in various Commission proceedings, including the original cellular rulemaking in 1971. He has been involved in cellular operations since 1983.

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While the NPRM deals with many important and timely issues for Commercial Mobile Radio Service providers, Florida Cellular has confined its Comments to the following topics.

Reciprocal Termination is Necessary

Florida Cellular submits that only reciprocal termination would give equality to LECs and CMRS providers. As the Commission points out in the NPRM at page three, if cellular telephone services are to begin direct competition against the local exchange carrier, "it is important to that competition that prices, terms and conditions of interconnection arrangements not serve to buttress LEC market power against erosion by competition."

While the Commission has articulated a policy of "mutual compensation" to govern LEC-CMRS interconnection, it has been Florida Cellular's experience that the policy, albeit long-standing, has been honored more in its breach than its observance. It would appear that the LEC's market power has permitted it to essentially determine whether to honor or not honor this mutual compensation policy. Thus, Florida Cellular agrees with the Commission's tentative conclusion that at least during some interim period, bill and keep (or reciprocal termination arrangements) should apply to the termination of traffic from end offices to end users, and that flat rates should apply to dedicated transmission facilities connecting LEC and CMRS networks.

This position is premised on the assumption that, on average, the called party receives as much value as the calling party. Mutual compensation whereby the carrier of the calling party pays the called party's carrier for call termination denies the reality that the called party receives as much value as the calling party. Under mutual compensation if one party initiates 60% of the minutes of use with another, the calling party's carrier would pay more to the carrier of the called party despite the fact that each party might have received equal value.

Reciprocal termination, whereby no monies are paid between carriers for call delivery of one's customer to another, recognizes this equal value principle appropriately. The called party compensates his carrier for its cost of making connection to the calling party. If the value of using one carrier is perceived as greater than that of another when both recover their total costs from their own customer, demand for the carrier with the greater perceived value may be greater than for the one with lesser value.

Reciprocal termination should recognize that tandem to tandem (MTSO or switch) or end office to end office (point of interconnection) call delivery between carriers wherein each carrier bears its own transmission and switching cost for call delivery to its customers should be without charge between carriers.

Reciprocal termination between local phone companies and CMRS providers is necessary to achieve an equality in the marketplace that has long been dominated by LECs.

Disclosure of Interconnection Compensation Arrangements

Florida Cellular also agrees with the Commission that interconnection compensation arrangements should be made publicly available. Florida Cellular submits that public disclosure by the filing of these arrangements would appear to be the least costly and most efficient method.

Jurisdictional Issues

With respect to implementation of interconnection policies *vis à vis* state commissions, Florida Cellular submits that to ensure a more uniform approach, the FCC should promulgate specific requirements for interstate and intrastate LEC-CMRS interconnection arrangements. Section 332 of the Communications Act provides sufficient legal support for such an FCC role. Putting specific parameters into place

would provide for a more systematic approach and alleviate any state commission bottlenecks in connection with interconnection policies.

Respectfully submitted,

**FLORIDA CELLULAR RSA LIMITED
PARTNERSHIP**

By:

A handwritten signature in dark ink, appearing to read "David L. Hill", is written over a horizontal line.

David L. Hill

Audrey P. Rasmussen

Its Attorneys

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Dated: March 4, 1996

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